

## Message Text

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ACTION EA-14

INFO OCT-01 IO-14 ISO-00 SS-20 AID-20 CIAE-00 INR-10

JUSE-00 NSAE-00 RSC-01 SNM-02 SY-04 TRSE-00 USIA-15

NSC-07 SCI-06 OMB-01 AGR-20 DRC-01 /136 W

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R 250546Z MAY 74

FM AMEMBASSY BANGKOK

TO SECSTATE WASHDC 3605

INFO AMEMBASSY RANGOON

AMEMBASSY VIENTIANE

AMCONSUL CHIANG MAI

AMCONSUL HONG KONG

USMISSION GENEVA

DEA HQS

S E C R E T SECTION 1 OF 2 BANGKOK 8538

E.O. 11652: GDS

TAGS: SNAR, TH

SUBJECT: NARCOTICS - QUARTERLY ROUNDUP OF THAI DEVELOPMENTS--  
JANUARY THROUGH MARCH 1974

REF: A. BKK 15496 OCT 3, 1973

B. BKK 19308 DEC 14 1973

C. BKK 2194 FEB 8 1974

D. BKK A-58 MAR 8 1974

E. STATE A-3527 MAY 1 1974

SUMMARY: LARGE OPIUM SEIZURES HAVE FALLEN OFF AS TRAFFICKERS  
ARE CAUTIOUS AND ARE DEVELOPING NEW WAYS TO EVADE ENFORCEMENT  
MEASURES. THE PRICE OF OPIUM SEEMS TO BE INCREASING WHICH MAY  
CUASE AN INCREASE IN PRODUCTION DURING THE COMING MONTHS.  
INCOME SUBSTITUTION IS STILL IN ITS INITIAL STAGES AND IT IS  
TOO EARLY TO EXPECT SIGNIFICANT RESULTS IN REDUCING OPIUM  
PRODUCTION IN THAILAND. A RECENT SEATO STUDY SUGGESTS THAT  
THE DRUG ABUSE PROBLEM AMONG THAI STUDENTS MAY NOT BE SO  
WIDESPREAD AS IS BELIEVED BY THAI AUTHORITIES. END SUMMARY.

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1. PRODUCTION AND PROCESSING

A. PRODUCTION

1. THE OPIUM CROP IN THAILAND MAY INCREASE IN COMING MONTHS DUE TO FACTORS DISCUSSED IN PARAGRAPHS TWO AND THREE BELOW, BUT PROBABLY AS PART OF A CYCLE RATHER THAN A STRAIGHT LINE TREND.

2. DURING THE QUARTER THE PRICE RECEIVED BY THE THAI OPIUM PRODUCER REPORTEDLY ROSE TO ABOUT \$80 A KILO COMPARED TO ABOUT \$20 A KILO IN THE FIRST QUARTER OF 1973. FRAGMENTARY REPORTING INDICATED THAT ALONG THE BURMESE BORDER AREA RAW OPIUM PRICES FLUCTUATED WIDELY WITH A MEDIUM PRICE APPARENTLY IN THE \$50 - \$60 RANGE. OPIATES ARE STILL RELATIVELY CHEAPER ALONG THE BURMESE BORDER AREA THAN IN THAILAND BUT LESS AVAILABLE THAN PREVIOUSLY. THIS APPEARS TO BE THE MAIN FACTOR CAUSING PRICE RISES IN THAILAND.

A. DURING THE QUARTER BURMESE OPIUM TRADITIONALLY AVAILABLE TO THAI BUYERS WAS INSTEAD BOUGHT UP BY PROCESSORS IN BURMA WHO GRADUALLY INCREASED THEIR PRODUCTION. A NEW ENTRY POINT FOR BURMA PRODUCED OPIATES APPEARED ALONG THE THAI/BURMESE BORDER DURING THE QUARTER AT A POINT LESS CONVENIENT TO NARCOTICS DEALERS THAN THE FORMER THACHILEK/MAE SAI AREA.

B. SUCH FACTORS AS POOR WEATHER AND SOIL DEPLETION CAUSED BY OVERCROPPING, WHICH VARY ACCORDING TO SEASON AND AREA, MAY HAVE CAUSED SOME DROP IN PRODUCTION THUS CONTRIBUTING TO UPWARD PRESSURE ON PRICES. THE RISE IN THE WORLD PRICE OF GOLD MAY HAVE CAUSED SELLERS TO DEMAND MORE PAYMENT IN PRECIOUS METALS REPRESENTING A GREATER CURRENCY OUTLAY.

C. ON THE ENFORCEMENT SIDE THE THREAT OF SEIZURES IN THAILAND MAY HAVE BEEN A FACTOR CREATING SCARCITY. OPIUM FROM BURMA BECAUSE LESS READILY AVAILABLE AT THE THAI BORDER DUE LARGELY TO BCP ADVANCES IN THE SHAN AND WA STATES OF BURMA BUT GUB ACTIONS ALSO DISRUPTED TRADITIONAL LARGE-SCALE TRAFFICKING ACTIVITIES.

3. SPECIFIC INDICATIONS THAT OPIUM PLANTING IN THE 1974-75 SEASON MAY BE HIGHER THAN THE 1973-74 SEASON INCLUDE:

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A. THE MOVEMENT OF ETHNIC NORTHERN THAI INTO SOME HILL AREAS TO GROW POPPIES.

B. SLASHING AND BURNING THIS SPRING IN PREPARATION FOR RAINY SEASON PLANTING (NON-OPIUM CROPS) APPEAR TO BE UNUSUALLY WIDESPREAD AND MAY SIGNAL THE INTENT TO PLAN LARGER ACREAGES IN OPIUM IN OCTOBER THAN WAS THE CASE LAST YEAR.

C. HILLTRIBERS IN SOME AREAS APPEAR TO BE SAVING POPPY SEEDS IN GREATER VOLUME THAN IN PREVIOUS YEARS.

#### B. PROCESSING

REPORTS CONTINUE TO BE RECEIVED OF REFINERIES IN THAI BORDER AREAS, AND SOME SUSPECTED LOCATIONS ARE UNDER CLOSE SCRUTINY. INTELLIGENCE REPORTS INDICATE, HOWEVER, THAT BY FAR THE GREATER VOLUME OF PROCESSING STILL TAKES PLACE IN BURMA.

### II. TRAFFICKING TRENDS

A. THE TREND AWAY FROM LARGE HORSE CARAVANS CONTINUES. THERE IS INCREASED BACKPACKING. TRAFFICKERS ARE CONTINUING TO DEVELOP ALTERNATE ROUTES. THERE APPEARS TO BE A GREATER INCIDENCE OF PURCHASE TRANSACTIONS BY THAI TRAFFICKERS ON THE BURMA SIDE OF THE BORDER BEFORE THE OPIUM IS BROUGHT INTO THAILAND. THESE DEVELOPMENTS ARE WITHOUT DOUBT A RESPONSE TO RTG ACTIONS AGAINST TRAFFICKERS.

B. THERE APPEARS TO HAVE BEEN SOME DROP IN TRAWLER TRAFFIC FROM THAILAND TO HONG KONG AND OTHER POINTS DURING THE QUARTER. IT IS PROBABLY THAT TRAWLERS ARE EXPERIMENTING WITH MORE CIRCUITOUS ROUTES.

C. HEROIN TRAFFICKERS MAY BE MAKING INCREASED USE OF COMMERCIAL AIR FREIGHT. ENFORCEMENT IN THIS FIELD IS HAMPERED BY THE RELUCTANCE OF THAI OFFICIALS TO HOLD UP PERISHABLE GOODS DESTINED FOR HONG KONG.

### III. ENFORCEMENT

A. TOTAL SEIZURES OF NARCOTICS BY SNO AND OTHER AGENCIES  
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CONTINUED TO DECLINE DURING THE PAST TWO QUARTERS. DURING THE FIRST QUARTER OF 1974 THE TOTAL OF REPORTED SEIZURES WAS IN THE 150 KILOGRAM RANGE. THIS SHARP DECLINE CONTRASTS WITH TOTAL SEIZURES REPORTED IN THE 1,000 TO 8,000 KILOGRAM RANGE DURING EACH OF THE FIRST THREE QUARTERS OF 1973. IT REFLECTS PRIMARILY THE ENFORCEMENT EFFORT AND THE EFFECTIVENESS OF THE KINDS OF EVASIVE ACTIONS BY TRAFFICKERS DISCUSSED ABOVE. SCARCITY AND A CONCURRENT DROP IN TOTAL TRAFFIC COULD ALSO BE A FACTOR. THE PROFITS IN TRAFFICKING ARE STILL SO HIGH THAT TRAFFICKERS MAY COMMAND TOTAL ASSETS COMPARABLE TO THE GOVERNMENT RESOURCES COMBINED AGAINST THEM

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B. SINCE JANUARY THE RECENTLY ESTABLISHED METROPOLITAN NARCOTICS UNIT, THE MNU, HAS BEEN RESPONSIBLE FOR 80 NARCOTICS ARRESTS, INCLUDING THE ARREST OF TWO INTERNATIONAL HEROIN TRAFFICKERS (BKK 1842). THIS INVESTIGATION LED TO THE ARREST OF FOUR DEFENDENTS IN THE UNITED STATES.

C. THE IMMOBILIZATION OF A HEROIN CONVERSION LABORATORY IN BANGKOK ON MARCH 9 (BKK 3950), RESULTING IN ARRESTS OF CHEMISTS AND FINANCIAL BACKERS AND CONFISCATION OF DRUGS AND EQUIPMENT, WAS SIGNIFICANT AS THE HEROIN OUTPUT WAS DESTINED FOR THE NETHERLANDS AND PERHAPS EVENTUALLY FOR THE UNITED STATES.

#### IV. INCOME SUBSTITUTION

A. INCOME SUBSTITUTION IS STILL IN ITS INITIAL STAGES AND HAS SHOWN NO SIGNIFICANT RESULTS YET IN REDUCING OPIUM PRODUCTION IN THAILAND.

B. U.S. DEPARTMENT OF AGRICULTURE ASSISTANCE TO RESEARCH BY THAI UNIVERSITIES AND INSTITUTIONS ON POTENTIAL SUBSTITUTE

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CROPS FOR OPIUM HAS SO FAR FUNDED \$184,000 INCLUDING A &92,000 CONTRACT FOR RESEARCH ON MUSHROOMS DURING THE QUARTER. NEW PROJECTS IN NUTS (\$116,000 OVER FIVE YEARS) AND STRQWBERRIES \$41,000 OVER THREE YEARS) ARE BEING DISCUSSED.

C. THE THAI/UNITED NATIONS PROJECT FOR DRUG ABUSE CONTROL (THAI/UNPDAC) HAS BEEN CONDUCTING A NINE MONTH TRAINING COURSE FOR APPROXIMATELY 30 HILLTRIBESMEN. THESE WILL RETURN TO THE 30 THAI/UNPDAC KEY AND SATELLITE VILLAGES TO WORK AS EXTENSION AGENTS. THAI/UNPDAC, IN COOPERATION WITH THE KING'S HILLTRIBE PROGRAM, ALSO CONTINUED TRIALS ON A LARGE VARIETY OF POSSIBLE SUBSTITUTE CROPS FOR OPIUM. LACKING DEVELOPMENT OF READILY GROWABLE AND MARKETABLE CROPS COMPETITIVE WITH OPIUM, THAI/UNPDAC WILL EXPERIMENT WITH LIMITED PRICE GUARANTEES IN ITS 30 EXPERIMENTAL VILLAGES, EACH OF WHICH HAS COMMITTED ITSELF TO PLANT UP TO FIVE RAI IN UNPDAC-SPONSORED CROPS.

D. GROWERS IN THAI/UNPDAC VILLAGES HAVE FRANKLY POINTED OUT TO THAI/UN PERSONNEL THAT PREVAILING HIGH OPIUM PRICES MAKE IT INCREASINGLY DIFFICULT FOR THEM TO COOPERATE WITH THAI/UN PROGRAMS.

#### V. TREATMENT

A. THERE WAS NO CHANGE IN TREATMENT PROBLEMS. TREATMENT FACILITIES STILL CANNOT ACCOMMODATE THE NUMBER OF ADDICTS REQUIRING TREATMENT. THE RECIDIVIST RATE REMAINS ABOUT 85 PER CENT IN THE NARCOTICS TREATMENT WARD OF THE ARMY GENERAL HOSPITAL.

B. ACUPUNCTURE HAS BEEN DEMONSTRATED TO BE OF SOME VALUE IN TREATMENT BY DR. ARUN SHOWANASAI, CHIEF, PSYCHIATRIC UNIT, AT THE ARMY GENERAL HOSPITAL.

#### VI. TRAINING

USOM SPONSORED THREE PARTICIPANT TRAINEES DURING THE QUARTER AND COOPERATED WITH THE RTG IN INAUGURATION OF A COURSE IN NARCOTICS INSTRUCTION METHODS FOR 45 POLICE PERSONNEL. THE TNPD CONTINUED GENERAL NARCOTICS INSTRUCTION IN ITS VARIOUS EDUCATIONAL FACILITIES.

#### VII. REGIONAL AND MULTILATERAL COOPERATION

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A. THE THAI ARRESTED JIMMY YANG, A WELL KNOWN BURMESE DISSIDENT AND NARCOTICS TRAFFICKER IN JANUARY (BKK 785). THA RTG APPEARS INCLINED TO TURN HIM OVER TO THE BURMESE AUTHORITIES (BKK 2504) BUT IS MOVING SLOWLY.

B. THE TRI-COUNTRY NARCOTICS MEETING IN SINGAPORE (BKK 2194)  
DISCUSSED PROSPECTS FOR CENTERING REGIONAL COOPERATION ON CROP  
SUBSTITUTION AND EXTENSION PROGRAMS.

VIII. EMBASSY AND HOST GOVERNMENT ACTIVITIES

THE MISSION INITIATED DISCUSSION WITH THE RTG ON ASSISTANCE FOR  
CROP SUBSTITUTION AND ENFORCEMENT WITH A VIEW TO OBLIGATING FUNDS  
BEFORE THE END OF THE FISCAL YEAR IN THE SECOND QUARTER.

IX. ABUSE

A. ACCURATE DATA ON THE NUMBER OF DRUG ADDICTS IN THAILAND  
IS NOT AVAILABLE. ESTIMATES BY THAI MEDICAL AUTHORITIES HAVE  
RANGED AS HIGH AS 300-400,000. POLICE AND MEDICAL AUTHORITIES  
CONTINUE TO POINT OUT DRUG ADDICTION AS A SOURCE OF CRIME AND  
A DANGER TO STUDENTS.

B. A "SURVEY OF THAI STUDENT DRUG USE" IN JANUARY BY THE SEATO  
MEDICAL RESEARCH LABORATORY, BASED ON A SAMPLE OF 1,600 STUDENTS  
IN KORAT AND CHIANG MAI PROVINCES, CONCLUDED THAT PREVIOUS  
ESTIMATES OF THE TOTAL NUMBER OF STUDENT DRUG USERS IN THAILAND  
WERE TOO HIGH. THE STUDY DOUBTED THAT THE CURRENT NUMBER OF STUDENT  
DRUG USERS WAS LIKELY TO EXCEED 25,000 AND ESTIMATED THAT THE  
MAJORITY OF THOSE WERE PROBABLY MARIJUANA USERS.

C. THE SEATO REPORT IS LIMITED IN SCOPE AND ITS CONCLUSIONS ARE  
TENTATIVE. IT MAY INDICATE THAT DRUG ABUSE IN THAILAND IS NOT  
AS WIDESPREAD AS SOME GOVERNMENT AUTHORITIES FEAR.  
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## Message Attributes

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